



**ADDRESS TO THE LIMPOPO PROVINCIAL LEGISLATURE BY MEC MAITE
NKOANA-MASHABANE ON THE BUDGET VOTE 11 FOR THE DEPARTMENT OF
LOCAL GOVERNMENT AND HOUSING**

Lebowakgomo Legislative Chambers, 30 March 2006

Honourable Speaker and Madam Deputy Speaker,
Honourable Premier, Sello Moloto and colleagues in the Executive Council,
Honourable Members of this House,
Honourable Mayors, Council Speakers and Councillors,
Magosi a rena – our traditional leaders,
Members of the business community,
Members of the media fraternity,
Distinguished guests, comrades, friends, ladies and gentlemen

Some fifty years ago, in the early hours of a crisp autumn morning, a group of women started gathering in the emerging shadows of the Union Buildings. The sounds of a chant reverberated through the Highveld morning. It was a chant that was to

reverberate through the very foundations of the apartheid regime, It was a chant that said “Wathinti Bafazi, wathint’mbokodo”. That group became twenty thousand strong. They were drawn together by the frustrations of the day, they were drawn by a need to express those frustrations but, most importantly, they were drawn by a hope for a better life for their generation and the generations that would follow.

The Greek philosopher, Aristotle once wrote that “Hope is a waking dream”. The hope of this nation has been sustained and nurtured through the selfless sacrifices of the many heroes and heroines of our struggle for liberation. It is that hope that drove thousands of young children that threw caution to the wind and took to the streets of Soweto thirty years ago. It was an event that was to demoralise and confound an enemy, it was an event that was to inspire an entire generation and impregnate it with hope.

When we do commemorate the thirtieth anniversary of the student uprising of 1976; and when we do commemorate the selfless contributions of those women that marched onto the citadels of power, when we honour the heroes and heroines of this Province; heroes like Lawrence Phokanoka; Peter Mokaba; Frans Mohlala, Mmadinoga; Marie-Stella Mabitse; Peter Nchabeleng; and Martha Motsuenyane; we must use these occasions to reflect. It must be a reflection that must ask the principal question; Have we indeed given the hope that drove these struggles and sacrifices the kind of substance that it deserves? We serve as the vanguards of the aspirations and values of those that have fallen for us and we cannot afford to waver; lest we be judged harshly by history, as those that betrayed a dream; as those who betrayed a people’s hope.

Honourable Speaker

We need to build a strong developmental state if we are to overcome the legacy of the many centuries of colonialism and racism that this country endured. We need to build a capacitated state able to invest in public goods and services and swiftly respond to shifting global, continental and domestic development trends and priorities. This, we believe, needs to be done by strengthening our system throughout the three tiers of government so that we have shared economic growth, revenue-generation and a productive investment of resources. Our developmental state must have the capacity to co-ordinate planning, budgeting, and implementation of programmes. It must further be able to mobilize communities and get the public participation through partnerships with all the relevant stakeholders. All of these efforts Honourable Speaker, must be geared at alleviating the needs of the poor, the historically marginalized, women, children, youth, disabled and the aged.

In his State of the Nation address this year, the Honourable President declared this era to be the New Age of Hope. Those amongst us that have felt and lived through every refreshing breeze of change since 1994 know that such a declaration is not based on a false hope. It is a declaration based on a belief in our ability as a nation to remain loyal to the values and principles underpinning our endeavours. Those principles and values are now etched in a document that was born ten years ago. It is the Constitution that captures the very essence of our existence as a nation. It imbibes these values and regulates our conduct in a manner that continues to marvel the world. Of all these values, one of the most endearing must be our commitment to a democratic order. That democratic order continues to be guaranteed by the

knowledge that yet another free and fair election has been delivered to our country by the Independent Electoral Commission. Allow me Mr Speaker, to acknowledge the Chairperson of the Commission, Dr Brigalia Bam and congratulate her and her team for making us proud. More particularly, Reverend Zwo Nevhutalu, the Provincial Commissioner must be commended for a job well done. The conducting of a successful Local Government elections was no mean feat. Some 1 094 councillors were elected into twenty five local councils and five district councils. Some 547 wards were contested. Some 21 200 staff were employed. Yes there was contestation, yes there may even have been attrition but what we did not have was violence or disruptions. We have all the conditions that say that we have a Province that expresses its will through the ballot box and has confidence in a system that is engineered to address its needs.

Honourable Speaker

We believe the outcomes of the elections were our communities' show of trust in the leaders they chose. Honourable Speaker, allow me to congratulate and welcome the Councillors to this August House and to Team Local Government and Housing. They must be aware that they are now the true servants of our people. Their appointment is a testament to their leadership qualities. The confidence of their communities has now been translated into the leadership positions they now occupy and we could not be happier. We welcome the influx of such enormous talents, talents that we would be relying on very heavily. Once again, we say congratulations and may your talents prevail, talents that must surely strengthen our governance and help us build better communities.

Honourable Speaker

The following are the key performance areas that our new municipal councils will have to excel in, if we are to be successful:

- Building institutional capacity and embarking on municipal transformation
- Improving Basic Service Delivery and Infrastructure
- Strengthening Local economic Development
- Ensuring financial viability and management and
- Strengthening good governance

We also want to take this opportunity to say to those who did not make it into municipal councils that you can still play a meaningful role in developing our communities. You must continue to be servants to the people, you must remain the loyal soldiers of our people's development – our people demand that much of us.

Honourable Speaker

It must be remembered that these newly-elected leaders will serve in the various municipalities throughout the Province for the next five years. The responsibility placed upon the shoulders of these leaders is an enormous one. The Councillors will be called upon to consider various matters, technical and otherwise. They would be required to operate in a regulated environment that leaves very little room for error. Coupled with this is the added responsibility of public office in which there are more exacting standards in personal conduct.

One of our primary constitutional obligations is to capacitate municipalities. As a Department, we would like to assure our fellow Councillors that we recognise the fact

that it is only with exposure to the appropriate information that one can face the task at hand with the required confidence. It is our commitment as a Department to provide the necessary support.

In this regard we have had extensive consultations with the South African Local Government Association- Limpopo to coordinate a training programme that would render the necessary support. In the coming weeks Salga-Limpopo would be conducting an extensive orientation programme, that we believe, would go a long way in enabling the Councillors, particularly the new Councillors, to familiarise themselves with the legislative and governance environment. We would like to complement and thank Salga-Limpopo for what we believe is a concerted effort to ensure that Local Government works well.

Our experience of the last ten years has shown us, however, that to render meaningful support to Councillors we would have to be more imaginative, and certainly more intensive. The Department has decided, therefore, that it would be allocating resources to a structured programme of training. This programme will focus on the various office bearers in council. The programme will take them through the various legislative requirements, develop leadership skills and to equip our Councillors with the kind of skills that would not only make them proficient at the job at hand, but also to the demands of the world beyond the municipality. Needless to say, that these courses will be accredited.

Once again let me say, Honourable Speaker, that our Department is not the Local Government sphere. It is the municipalities and its councillors that are closest to the

pulse of our people who are that sphere of government. To address the many challenges that face us, we will have to constantly engage with each other, share ideas and carry each other. We do belong to one government and we are accountable as one.

Honourable Speaker, our efforts to capacitate municipalities must be done in coordination with Project Consolidate. Project Consolidate, if we remember, is a national project that identifies nominated municipalities for direct hands-on capacitation programmes. These programmes involve an integrated approach of the various stakeholders that have a direct impact on the affairs of a municipality. The identified municipalities are those that fall short of certain capacity and delivery benchmarks. In terms of the criteria, 14 municipalities were identified in our Province.

Honourable Speaker, we can report to you that the Project Management Unit of Project Consolidate in the Province has been established. This has been as a result of a collaboration between our Department, the Department of Water Affairs and Forestry and the Independent Development Trust. These entities now form part of the Project Management Unit. Further, a Steering Committee has been established, involving representatives of each of the affected municipalities. We have also directly involved the Development Bank of South Africa in the project.

We can also report to you that the capacity assessments of all the 14 municipalities have been completed. The Department has also collated all the data from the two Izimbizo held by the President and the Deputy President in the Province. Based on the data and the capacity assessment reports, Municipal Action Plans are now completed.

We are now in the implementation phase of the programme and much more emphasis will be put in during this financial year.

Honourable Speaker

In the coming first quarter of the new financial year, we will be assessing progress made by Project Consolidate as we enter into its second and final year so that we can make all the necessary interventions where the needs arise. It must be remembered that in the past year, we finalised eight Element Action Plans required in order to make the identified municipalities become functional. These Action Plans focussed on key strategic areas of interventions such as service delivery, financial viability, governance, infrastructure development, organisational development, local economic development and institutional transformation. These Plans were finalised by special teams which were set up to assist municipalities review the implementation plans.

To ensure that the public is kept abreast of the developments of Project Consolidate, we will begin monthly updates of the latest developments around the programme. This should begin in earnest in the new financial year.

Honourable Speaker

To show the good work being done by Project Consolidate, I can cite an example of a sanitation programme in six municipalities that the PMU is currently supporting. The PC has been allocated R4m for the construction of toilets for PHP houses.

There was also a working session held between Districts, PC municipalities and the PMU in March to align programmes in the new year. The PMU has been further allocated funding of one million Rand for capacity building within Project Consolidate municipalities for all officials identified in the key strategic areas. Training will begin in April 2006.

Honourable Speaker

The Honourable Premier correctly identified the fight against corruption as a priority. The practises of the corrupt can only serve as a tumour that consumes all our carefully laden plans for an accountable and responsive government. That we have the commitment of this government and that measures have already been taken to fight this scourge is an indication of the seriousness with which this matter is being approached.

It is in the context of these efforts to rid ourselves of this challenge that we are meticulously implementing the recommendations of the Task Team led by Mr Lazarus Mahlangu. The law enforcement agencies are engaged in bringing the guilty to book. We have also made the Report public and announced the steps that we have taken in order to tighten the loopholes that were identified by the Task Team.

In fact, Honourable Speaker, the investigations that were undertaken are already bearing fruit. As we said earlier, a contractor who fraudulently claimed around R4m for work not done is currently facing a criminal and a civil claim. We have also

managed to recoup some R560 000 from another dishonest developer. The Department has also disciplined and discharged officials linked to these contractors.

Honourable Speaker, what we can assure you is that there is a will to confront this scourge. We are also confident that with improved systems the room for impropriety will surely diminish.

These systems, Honourable Speaker, we mentioned in our Budget Address of 2005 that we will be setting up as part of laying down a strategic plan for the Department. The strategy was developed around an examination of the constitutional obligations of the Department and an assessment whether the Department was structurally and otherwise geared to meet these obligations. The Department engaged the services of specialists to undertake the assessment. The prognosis simply indicated that the Department, as it was structured, was not an appropriate vehicle to meet its constitutional obligations. With this knowledge, the Department commenced with the arduous task of developing a Business Process Re-engineering (BPR) that contained the necessary measures to achieve its objectives. This BPR entailed, amongst others, the following measures:

- ◆ A restructuring of the administration
- ◆ A capacity audit that literally required an analysis of all the skills in the department and establishing whether they were appropriately placed
- ◆ The creation of a linkage with the University of Limpopo to fill the capacity gaps and to ensure succession
- ◆ The development of a communication strategy that is integrated with the municipalities of the Province

- ◆ Establishing a performance management system
- ◆ Establishing a system to monitor municipalities
- ◆ The facilitation of the transfer of water functions to nominated municipalities
- ◆ An assessment of the Housing delivery programme and an analysis of the blockages that are impacting on the rate and the quality of delivery
- ◆ The development of a policy to allocate houses in the Province. This policy addresses planning from the municipalities and allocation to beneficiaries based on the Breaking New Ground policy on human settlements of the National Department of Housing. A follow on from this process would be to develop a booklet in vernacular that would be distributed to communities to inform the public of how houses are allocated in the Province
- ◆ An assessment and strategy have been developed to address land use management that would be inclusive in an attempt to bring all stakeholders in the process allowing for closer engagements between the Province and municipalities
- ◆ The development of a strategy and policy on risk management aligned to the Public Finance Management Act, to ensure that adequate risks are monitored and measured to minimise the risk of service delivery failure due to inherent risks within the Department

This blueprint was presented to the Development Bank of South Africa for its support. The Department has not only now received a grant of 3,8 million rand for the project, but we are also looking forward to the technical assistance from the Bank. We must thank the Bank, particularly, Mrs Jeanette Nhlapo, for having confidence in our efforts.

We are indeed pleased to report to you, Honourable Speaker that much of the objectives we sought to achieve are coming to fruition. The changes that ensued from these endeavours are already beginning to bear fruit. The latent energies of our staff are now channelled and more purposeful with the result we have an enhanced imagination and improved productivity. There is still much to do but the sight of light at the end of the tunnel invigorates us more. Di retwa di boya mokatong.

Allow me Honourable Speaker, to use this occasion to mention that we will be, as of April 01, strengthening our senior management with additional strategic appointments. These new managers will join our recently appointed Head of Department, Mr Leshabe Rampedi.

Having said that, we must emphasise that there are many challenges that lay ahead. We believe that some strategy must be developed in the very near future to address the skills challenge that we face. We will have to popularise the civil service. Our policies, as sound as they may be, simply cannot be implemented if we do not have the necessary technical skills - they are the engine room of any department. We need to develop a core competency of engineers, technicians and other local government specialists in our Department and municipalities in the Province. We believe that with a collective governmental strategy, this challenge will be met.

Honourable Speaker

The Department has always stated that planning must be given the necessary attention that it deserves. In that light we saw it appropriate, under the leadership of

the Honourable Premier and his hardworking D-G, Dr Nelly Manzini, to embark on District IDP Summits in the latter part of last year. This process, which fundamentally improved relevant stakeholders' participation, included all stakeholders necessary, and ensured that our municipalities review their Integrated Development Plans (IDPs) in time so that when the new councils assume office; programmes geared to accelerating service delivery would not suffer.

To further ensure the success of the IDPs we will, in the 2006/07 fiscal year, be assisting in the training of staff within the Department who will supervise the preparations and pre-assessment of IDPs so that these plans comply with the legislations and Provincial priorities as stipulated in the Provincial Growth and Development Strategy.

Honourable Speaker, while there is an overall long-term strategy that is being implemented for the provision of infrastructure in the Province, the Honourable Premier correctly decided that immediate interventions had to be made. An amount of R200 million was made available by the Honourable Premier for these interventions. The interventions concentrated on the acceleration of the water and electrification programmes.

We would also like to inform the House that we have already utilised more than 60 % of the PEIG – which was only made available to us in the last two months of 2005. We are certain that we would be able to use all the remaining funds in the coming months.

This is an indication that with an improved administrative structure, much can be achieved.

Honourable Speaker, we are proud to inform you that we have already opened the taps at one of the water projects which benefited from the Premier's Emergency Infrastructure Grant. The Seswikaneng Water Project in the Lepelle-Nkumpi Municipality is already benefiting some 700 households who have been struggling for years to get clean water. We would like to thank Kgosi Gadi Matlala and her community for welcoming us with open arms and acknowledging the crucial role that the Seswikaneng project will have on their livelihood and development. Another 1 000 families in the municipality have also gained access to this life-giving source, all thanks to the PEIG. We will be spending R18m alone in the provision of water in the Capricorn District Municipality. In Sekhukhune, some R27m will be spent on water projects. R13m is to help the Bohlabela communities access water; R6m is assisting residents in Mopani; R16m goes to Waterberg and the Vhembe District will use R18m from the PEIG for boosting its water provision capacity.

Furthermore, the Department has taken the initiative of engaging the donor community to forge partnerships. As a consequence, the Council of Theologians in the Muslim community have already opened six boreholes in strategic areas, with a promise of more. We wish to acknowledge their presence and express our gratitude.

We have also switched on electricity for the Magakala-a-Ntwampe villagers in the Greater Tubatse Municipality. We have to express our gratitude to Kgosi Ntwampe and the orphaned Thobejane family for allowing us to share their joy at getting

electricity in their home. A total number of 22 027 families in our Province have already benefited through the Emergency Infrastructure Grant. In the Waterberg District, we will be spending R6m; the Vhembe District received R18m; projects in Mopani get R18m while the Sekhukhune District Municipality gets R25m. In the Capricorn District, we will be using R26m to accelerate our electrification programmes. This includes the connection of around 1 400 households at a cost of almost R8m in and around ZCC Moria City and ZCC St Engenas. This is in accordance with the directive of the Honourable Premier to develop this important area of our Province and turn it into a mecca for the millions who make their annual Easter pilgrimage.

Honourable Speaker

We will, in this financial year, be placing more attention on ensuring that funds earmarked for the provision of bulk infrastructure are actually used. The Municipal Infrastructure Grant will receive more attention and the new structure that we have set up places more emphasis on the Department in checking whether this Grant is being spent – and where there are problems, the Department needs to intervene sooner and assist municipalities to spend those funds, and spend them well.

Honourable Speaker

We stand before this House today to declare to all and sundry that by the end of December 2006, the Department would have facilitated the spending of more than 70% of the R821m that were allocated for MIG for the year. This is a commitment that we make to the people of this Province, mindful that if we fail – more of our people

would remain on the sidelines of development. We are in fact saying that we would by November, have spent, some R600m on bulk infrastructure such as water and electricity.

Honourable Speaker

We must also stress that we will be working extra hard to make sure that a significant portion of the R821m to be spent on Municipal Infrastructure Grant (MIG) is largely implemented under the Expanded Public Works Programme (EPWP). Our target is to raise our EPWP programmes within the MIG to 30% from a current base of zero. This will allow for an increasing number of our low skilled workers – especially women – to gain employment and skills. This, we believe, is in line with the aim of creating jobs and fighting poverty. It is also in line with our PGDS.

We will at the same time continue emphasising that the MIG programmes are aligned to the municipalities IDPs so that our infrastructure supports our Provincial strategies. While we are busy with the spending for the financial year, we are also placing focus on planning for projects which we will roll out in the 2007/08 financial year. If we do not work in this manner, Honourable Speaker, we will forever be forced to delay implementation of our infrastructure programmes as we will be planning when we should in fact be delivering.

Honourable Speaker

The provision of universal access to free basic services remains the cornerstone of our service delivery programmes targeted toward the poor. To this end, we are going to be ensuring that municipalities finalise indigent policies and make sure that proper indigent registers are administered. To ensure that these policies are of benefit to those they are intended to help, we will, throughout the year, conduct District campaign awarenesses so that people know about these important services. Equally, we would want to ensure that those who can afford services do, indeed, pay for those services.

Honourable Speaker

We believe that the Province will be pleased to know that we, as a Department, will now be playing a more active role in the roll-out of our Local Economic Development (LED) programme. Significantly, we will strengthen our international and local partnerships in order to ensure that local economic growth and development programmes are in line with the PGDS and the Accelerated and Shared Growth Initiative of South Africa (ASGI-SA). We must carry out this task mindful of international trends that show that the biggest employers in many developed and developing countries are not the big corporations but rather the small businesses located in communities and serving the specific needs of those communities.

Honourable Speaker

We have in the past year spoken at length about the formalisation of rural villages into proclaimed towns. The Department has in the past twelve months held meetings with

stakeholders and boundaries about the proclamation of Jane Furse into a town with new boundaries. All that is left is the finalisation of the plans for the establishment of a town and the township register is expected to be opened in the second half of the financial year. The town of Burgersfort will be looked at for expansion, with extensive plans being submitted in the latter part of the financial year.

Also in this fiscal year will be focusing on the extension of existing towns in Giyani, Vuwani, Motetema, Seshego and Tubatse. The programme will be greatly informed by a needs analysis of the municipalities and priority will be placed on fast-tracking the extensions in line with the PGDS and the Integrated Sustainable Rural Development Programme (ISRDP).

Honourable Speaker

The Honourable President and the Honourable Premier have stated on numerous occasions the need for Provinces to support municipalities in order for this sphere of government to meet the mandate of building better communities. For us, this call was apt as one. We will, Honourable Speaker, be spending some R13m on implementing the Provincial Capacity Building Strategy at municipalities. Special focus will be placed on Project Consolidate municipalities. This will see the training of officials in key skills necessary to deliver quality services to our communities. This includes training and mentorship for communicators within municipalities. This communications training will take place twice a year per District.

We will also assist in the development of functional Performance Management Systems in all 30 municipalities in our Province. Above this, we will help facilitate monthly, quarterly and annual reports of performance in our municipalities. This will certainly strengthen municipalities in the way they function and manage their personnel.

Moreover, the Department will also continue supporting municipalities in setting up effective IT systems. This includes providing IT technical advisory support for all municipalities. The Department will invest R11 million in order to facilitate the implementation of the Municipal e-governance plan.

Honourable Speaker and Members

As part of our endeavours to enhance the disaster-readiness of the Province, we will, at a cost of R2m be developing a disaster risk management plan. Its implementation phase is expected to be by the beginning of 2007.

We will also be assessing the capacity and functions of our fire services in the coming fiscal year. R10m will be used to buy new equipment which will be delivered to municipalities in 2007.

Honourable Speaker

To further ensure that we are disaster-ready in 2005 we provided funding to the Waterberg District Municipality to set up its own Disaster Management Centre (DMC)

and its construction is near completion. The Centre will soon be operational. In the coming financial year, we will give the Sekhukhune District Municipality R6m and the Mopani District Municipality an amount of R4m for the building of their own disaster management hubs. We will also work to align the DMCs with other emergency services which are provided by our sister Departments, like the Health Department. The DMCs will allow the Districts to be able to react faster when there are disasters and also put in place measures which will soften the impact of disasters in the event that they do occur.

Honourable Speaker

The provision of adequate housing and decent shelter remain a major challenge for the Province. Based on the Task Team Report, and other management observations, the Department has embarked on a review of the different housing programmes and is currently implementing a turnaround strategy to deal with the matter.

We have decided to form a Project Management Unit with immediate effect. It will function to ensure that delivery takes place immediately while strategies are being developed and implemented. This PMU will consist of specialists that will be partners to the officials of the Department with the express objectives of expediting service delivery and transferring skills to the Department.

Equally, we have restructured the units in the Department responsible for housing and through the skills audit we will be placing officials where skills will be utilised more productively.

The new housing strategy reinforces the vision of promoting the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing. The specific objectives of the strategy are:

- Accelerating the delivery of housing as a key strategy in poverty alleviation
- Utilising provision of housing as a major job creation strategy
- Ensuring property can be accessed by all as an asset for wealth creation and empowerment
- Leveraging growth in the economy
- Combating crime, promoting social cohesion and improving quality of life for the poor
- Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking barriers between the first economy residential property boom and the second economy slump
- Utilising housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring

Honourable Speaker

To ensure that we make true the promise of building integrated and sustainable communities, the Department is proud to announce that through a groundbreaking agreement between SALGA and the National Housing Department, municipalities have agreed to a moratorium on the sale of land. Under the deal, municipalities will first offer land to the Department before proceeding to sell it to other players in the industry. This will allow us to build affordable housing for our people in the towns of

our Province – close to where they work. This, we believe, will greatly speed up our programme of deracialising and integrating our communities.

Honourable Speaker and Members

As we deal with the implementation of the current projects we are acutely aware of the many unfinished housing projects, as well as those whose quality needs to be rectified. These include blocked projects and those projects currently being implemented under PHP. We are engaging the National Housing Department, Donor Funding Organisations, and the Provincial Treasury to secure funding in order to deal with these accumulated backlogs.

As we have said before, we have put in place systems and mechanisms to ensure better capacity so that, when we move forward, we build quality houses within sustainable communities.

One of our goals as a government is to have a shack-free Limpopo by 2014. This year we will be conducting a study on migration patterns in order to develop a database on informal settlements. By the end of the financial year, we will have a report on spatial trends and this will allow us to tackle the issue of shacks in the Province head-on.

Honourable Speaker

The demarcation of suitable sites is an important part of the Department's programme of building sustainable human settlements. But this task is very difficult to undertake

without the complementary spatial analysis and monitoring. We will be strengthening our work with the Planning and Co-ordinating Unit within the Premier's Office in order to improve our spatial planning. We are currently closely working with the Department of Economic Affairs, Environment and Tourism in order to align the Provincial Spatial Rationale with environmental legislation and strategy. This is necessary so that the environmental impact is taken into cognizance by our spatial developmental programmes.

Honourable Speaker

In our Address to this House last year, we had raised the concern that land was used in an unplanned fashion. It is for this reason that we embarked on a plan to improve and use management in order to build sustainable human settlements.

We have, accordingly, proceeded with the demarcation of sites. We have made substantial progress in this regard. We plan to demarcate a further 33 000 sites in the 2006/07 financial year.

More than anything, Mr Speaker, ours is a task of promoting orderly settlements where all residents are close to the amenities such as schools, clinics, police services and recreational facilities. We believe that we need to continue to stress that our government will not tolerate those who illegally occupy land. We are in agreement with our people that the need for land close to their areas of work cannot be overstated. But, we cannot, as a responsible government, allow for anarchy and the exploitation of

our people by those individuals who realise the vulnerable situation our people find themselves in.

Honourable Speaker

We have said that we are no longer just building brick and mortar houses as a Department. We are now Breaking New Ground in housing and Building Sustainable Integrated Human Settlements. This simply means that we will no longer be driven by the urge to build for the sake of building houses. We will rather be building communities which have access to all the relevant services.

Honourable Speaker, the challenges around housing are public knowledge. We would like to assure the House and our communities that we are turning the corner in this crucial programme.

Accordingly, we will be spending R521m in this BNG programme in the 2006/07. This will allow us to use R388m to build 13 268 houses and the remaining R133m will be used to acquire land for some of our social housing programmes – such as the historic agreement we have with mining companies. A special word of thanks must be mentioned here to Angloplatinum and the Sunflower Housing Corporation for responding speedily to our call and agreeing to building a total 2 000 housing units in several municipalities, including the Greater Tubatse, Mogalakwena, Thabazimbi and Polokwane municipalities. We must also express our deepest thanks to other mining houses who have agreed to assist us in providing social/rental housing for their employees. We will also use parts of the R133m to build crèches, community halls

and other recreational facilities in the areas we will be developing. Some of the R133m will support the building of emergency housing – as and when the need arises.

Last year, Honourable Speaker, we went around the Province and engaged the youth and people living with disability on issues pertaining to our work. Those workshops have proven very useful and we will be implementing the suggestions made to assist us take our mandate forward quicker. This includes the building of houses which are friendly for those who live with disability. We will use some of the R133m to make the necessary structural changes to our houses where necessary.

Honourable Speaker

We are certain that this House will be pleased to know that we have already finished allocating developers for the new financial year. We have also finalised our beneficiary list for the new financial year. So, our contractors have no excuses whatsoever but to start building when the new financial year begins. We do this bearing in mind that effective planning is the only way we can conclude building houses for our people in the financial year of allocation.

We will spend R134m constructing 4000 houses under our programme of upgrading informal settlements.

A R100m will go towards building 3000 houses under the Rural Housing Programme. This is in line with building houses for our people where they live.

We will also use R26m to build 800 houses under the People's Housing Process (PHP). This is a programme that is municipality-driven and where communities have a larger say about the type of structure they want.

A further R50m will be used to complete 1 500 housing units under the social/rental stock. This is to provide decent shelter to those who do not want to permanently stay in towns but are forced to be in town for work purposes and on a temporary basis.

Honourable Speaker

We have put aside R6.7m for the building of 200 housing units in an historic Agri-Village project. This pilot project will be housing farm labourers in decent shelter and close to their areas of work. This is also in line with Breaking New Ground and ensuring that indeed housing is provided for all citizens of this country – especially the most vulnerable.

R33.5m will be directed at building 1 000 housing units under the Project-linked scheme. This is for greenfield programmes which are mainly in the urban centres.

Those who are earning above R3 500 per month and thus do not qualify for RDP subsidies will also be catered for. 500 houses for that income group will be supported with subsidies from the Department under the Credit-linked Subsidies programme. This will cost the Department R16.7m.

Furthermore, R700 000 will be spent on completing a Provincial Geo-Tech database. This will be connected with the Department's GIS and help areas without Geo-Tech Reports.

Honourable Speaker

A few weeks ago we were at the Westernburg Hall in Polokwane at a handover ceremony for title deeds of beneficiaries of the Discount Benefit Scheme. The joy we witnessed on the faces of the old people who have paid rent for many years was simply indescribable. We recall the heartening statement by one of the title deed recipient Mama Rosie Stander – who is also one of the first residents of Westernburg – who said she was overwhelmed at receiving her title deed after so many years of renting. Mrs Stander is among us today. Also among us is the grey-haired old man, Oupa Gabriel Knight, who attended the ceremony but was unable to get his title deed. We want to say to him, ons het 'n belofte gemaak dat ons die papiere by Oom se huis sal bring – en se ons weer vandag dat ons sal die belofte na gemaak.

Honourable Speaker

We have about 2098 assets that we need to give back to our people. Progress has been steady as tracking rightful owners and cross-checking their data with that of the Registrar of Deeds can be long and complicated. However, we are confident that we will meet the goals we set for ourselves. In advancing that programme we will, this year, be giving back 2 672 assets to their rightful owners under the Discount Benefit Scheme.

To protect our people who are in renting properties in our Province, many will be glad to know that we will be developing and implementing rental housing regulations by March 2007. Public hearings on the matter will be held in the next three months, where our people will make the necessary inputs. We will also be registering pre-emptive rights of the Department where each low-cost house will be endorsed to avert the selling/attachment of RDP houses prior to the expiry of eight years of ownership.

We will also, together with the National Housing Department, be embarking on Consumer Awareness Education programmes on owners' rights and duties so that the sale or illegal rental of these units is prevented.

Honourable Speaker

We will continue to assist emerging contractors gain the necessary skills through our Sakhasonke programme. This is to provide the contractors with the requisite skills so that they are able to meet the challenges of building proper houses in habitable areas. This year, 40 (forty) contractors will benefit from the programme.

We will further work with our National Housing counterparts, to seek alternative technologies of housing our people. To get best practice on these matters, we will, through the national government, be engaging our international partners including, India, Brazil, South Africa (IBSA) Commission.

Our people will also be happy to know that we will be setting up a housing toll-free number before the end of June. This will allow for people to raise issues on the problems they encounter in housing – and provide us with adequate information so that we can intervene timeously.

At this juncture we would like to thank Ntlaletseng Contractors, MPPJ Developers, Fikile Contractors and Try Developers for responding to our call for assistance. At their own cost, they built houses for five destitute families in a very short space of time. These included families from the Molemole; Polokwane; Greater Tzaneen, Greater Letaba and Thulamela municipalities. Indeed, these actions showed that our people, specifically our housing stakeholders, are realising that the duty of housing our people belongs to all of us. It is also saying that, together, we can push back the frontiers of poverty. We challenge other contractors to also join in this programme so that we are able to reach more of our vulnerable families in the Province. Without the involvement of these contractors, Honourable Speaker, the Seanego orphans and Mama Chokoe, the mother of Sello Chokoe, would still be without proper shelter. Our housing programme can only be accelerated if we work in this manner.

Honourable Speaker

In conclusion. I want to pay my special respects to two of our special beneficiaries who have made my work worthwhile – even when I feel the mountains are too high to climb. I want to acknowledge Koko Maphote Thobejane, the 95-year old recipient of

one of our houses in Fetakgomo. When I saw the smile on her face as she opened her house in February, I knew that we had certainly entered into the Age of Hope.

The other woman who has made an impact in her community – and in my heart – is Mama Beka Ntsanwisi. Mama Ntsanwisi has put her own personal challenges aside and extended her hand of love to the many orphans, the sick and the vulnerable in our Province who are struggling everyday because of poverty. Through her organisation, Mama Beka Ntsanwisi Projects, this remarkable lady has been helping care for the sick and even bury those who are poverty-stricken. She also builds houses and provides counselling for the poor. To help her in this honourable and humbling job, we have accepted the honour to go into partnership with her and build 50 houses to assist the needy in our Province. We feel this is the least we can do to show our appreciation for the sterling work. To her I would like to say, u tivekile andaku pfuneta van'wana. Endla tano na mundzuku! (You have placed other peoples' needs before your own. May you do the same tomorrow!)

Lastly, I would like to thank Mr Karl Henning of Mununzvu Newco for his immense assistance to the Department. Mr Henning is a commercial farmer and we have entered into a partnership with him in order to build 60 PHP houses for farmworkers in the Vhembe District. We want to say that we appreciate the patriotism and commitment of nation-building that Mr Henning has shown. We call on other commercial farmers to take a leaf of Mr Henning's book and also realise that this country belongs to all of us – and it will take all of us to build it into what we want it to be.

Honourable Speaker

Our budget, will thus look like this for the year 2006/07:

**Summary of Expenditure Estimates 2006/07 Fiscal Year
Per Programme: Local Government and Housing**

Programme 1: Administration	R106 599 000
Programme 2: Housing	R604 777 000
Programme 3: Local Government	R47 775 000
Programme 4: Development and Planning	R75 007 000

TOTAL BUDGET ESTIMATES FOR 2006/07 R834 158 000

**Summary of Expenditure Estimates 2006/07 Fiscal Year
Per Economic Classification: Local Government and Housing**

Current Payments

Compensation of Employees	R158 591 000
Goods and Services	R131 297 000

Transfers and Subsidies

Households	R523 175 000
Provinces and Municipalities (gratuities)	R10 590 000

Payments of Capital Assets

Building and other fixed structures	R 1 194 000
Machinery and Equipment	R 8 811 000
Software and other Intangible assets	R 500 000

TOTAL ECONOMIC CLASSIFICATION R834 158 000

Honourable Speaker

One of the stalwarts of our liberation and rightfully, South Africa's first democratically-elected president, Nelson Rolihlahla Mandela once said:

“After climbing a great hill, one finds that there are more hills to climb”.

I believe that this is a correct assessment of our Department, one year after I assumed office. But the fact that we have climbed this great hill which has yielded so many positive results simply asserts that even the hills which we are to meet on our way – there will be success, there will be development. There will be a hope that ours was not a struggle in vain.

I thank you.

